

March 13, 1997

Solv-Ex defaults on \$33 million loan.

Solv-Ex Corporation ("Solv-Ex") has defaulted on its \$33 million Loan Agreement. The default makes Solv-Ex liable for immediate repayment of the full \$33 million loan plus interest. Solv-Ex has no capacity to refinance or repay the loan. Further, the default allows Deutsche Bank to immediately sell certain of its Solv-Ex shares. Solv-Ex has failed to disclose its default.

Asensio & Company, Inc. ("Asensio") has provided regulators at the Securities and Exchange Commission ("SEC") and the National Association of Securities Dealers, Inc. ("NASD") with complete details of Solv-Ex's default and its failure to disclose its default. The loan agreement was filed as Exhibit 10.1 to Deutsche Bank's Schedule 13D, and as Exhibit 10.14 to Solv-Ex's Form 10K dated June 30, 1996. The default is clear and evident. Solv-Ex has been in default for at least 67 consecutive days. Solv-Ex is in default of at least five (5), and as many as seven (7), covenants. In fact, Solv-Ex Corporation's Form 10Q dated December 31, 1996 filed with the SEC on February 14, 1997 shows that Solv-Ex has failed to meet the loan's minimum net worth requirement. Since then Solv-Ex's financial condition has deteriorated substantially.

Solv-Ex's default automatically accelerates payment of the entire \$33 million loan outstanding together with interest, making all amounts immediately due and payable. Further, the Loan Agreement allows Deutsche to immediately sell 1,016,000 shares of Solv-Ex's common stock to use as partial repayment.

Asensio has conducted extensive due diligence, fundamental research and technical analysis of Solv-Ex Corporation, its "technology" claims, its Alberta plant and business plans. Based on this review we issued a strong sell recommendation on shares of SOLV's common stock. Further, due to its excessive market valuation and overwhelming evidence of criminal and fraudulent securities activities, we also recommend that Solv-Ex shares be sold short.

Solv-Ex Corporation (Trading Symbol: SOLVQ) (Price: \$12.50)

Short selling involves a risk not associated with the purchase of stock including, but not only limited to, unlimited loss and stock borrowing risks. Additional information is available upon request.